The Business Case for Sustainable Spaces

Industry experts share how their colleagues and the companies they serve can move more quickly to operate more sustainably.





# The green building industry has made quantum leaps forward over the past decade.

National policies continue to shine a spotlight on sustainability imperatives. Companies are adopting clear and measurable sustainability goals. Employees are choosing companies that have a clear commitment to the environment. Public awareness of environmental issues rose as a result of the pandemic.

The title of Chief Sustainability Officer (CSO) has emerged within many companies, with the number of professionals with that title growing more than 200% from 2011.

Yet, many businesses may still be resistant to taking steps that promote environmental health. Some companies merely pay lip service to sustainable building and practices. They balk at measures that will cut into their profits or delay or complicate development. They struggle with energy use reduction, social justice efforts, and new LEED construction.

As stewards of the green building movement, how do we educate, incentivize, and compel companies to add environmentalism to their agendas? Making a case for sustainability requires companies to know their facts and be relentless and creative in advocacy.



Selling and marketing sustainable solutions can be accelerated through data and partnerships. Despite policies and company commitments to greener building, we will all face objections. Learn from those who are overcoming them.

We reached out to a diverse panel of industry experts and asked how their colleagues and the companies they serve can move more quickly to operate greener. This is the second in a series of three forward-looking reports, intended to be both informational and thoughtprovoking. Digesting this report is simply the first step.

We also hope you will subscribe to upcoming content and join us this September when powerful words come alive through more than 200 interactive sessions and access to the professionals who will teach you how you can make a change in your industry, company, and community.



# How Do Businesses Make a Case for Sustainability?



Your company may be committed to sustainability and you've taken the bold step of hiring a CSO within your organization. Perhaps you design or manufacture an energy-efficient product line. But getting the entire company and decision-makers onboard can still be a challenge. It starts from the top.

Knowing the facts and presenting them compellingly and attractively to a senior leader is critical in making change. Attend conferences (both in-person and online) and learn from your peers in your industry -- and others -- how a sustainability plan benefits their company and community.

Just as companies measure profitability and customer satisfaction, they are being pushed by their customers to demonstrate that they are committed to a greener agenda. "With an increased consciousness about ESG. particularly among younger generation employees, companies are using sustainability policies as a recruiting and retention tool. Larger businesses increasingly have a Chief Sustainability Officer (or similar) whose mandate is to ensure the company is maximizing its sustainability efforts and minimizing its carbon footprint. Similarly, within communities, clean energy advocates can be effective promoters. Also, certain states (including CA) have implemented Energy Benchmarking programs for commercial and industrial properties, mandating annual energy usage reporting and publishing each building's results/grade. The more efficient buildings, in theory, would be the most marketable to prospective tenants." - Peter Grabell, Senior Vice President, Dividend Finance Inc.



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Recognize the role of company leadership in setting the tone for sustainable and equitable practices. If company executives are dedicated to change and advocacy, this will be reflected in the entire company's ethos."

Iwan Nassimi, Executive VP, Nassimi



"Businesses can advocate for sustainability through media and leading by example."

Wayne Turett, RA, Founder and Principal of The Turett Collaborative

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"It's more efficient and economical for companies to develop a cohesive, holistic sustainability strategy that gets ahead of inevitable regulatory requirements, shareholder expectations, consumer demands, etc. The public, as well as state/federal governments, are demanding action. Green teams are great advocates within companies because they bring together voices from disparate departments. However, leadership needs to provide the vision and ask for results."

Anna Dengler, Senior Sustainability Advisor, Great Forest



"It's simply smart business...making people understand why it's in their financial interest to implement more sustainable practices and helping them understand where the return on investment on some of these programs come from. One point that businesses should emphasize, particularly now, is that sustainable buildings are Brad Dockser, CEO and Co-Founder, GreenGen healthy buildings." ♥ in f



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"Businesses can now make the strong case that economic and environmental sustainability are fully interwoven. The best advocates are those at any level that are knowledgeable and know how to communicate the economic value of sustainable development."

Vince Myers, AIA, LEED AP, President, DIGroup Architecture LLC

"We believe that one of the most effective ways to make a case for sustainability is for companies and organizations to set an internal price on the carbon emitted from their operations and construction. By setting a price on carbon emissions – one that accurately captures the external costs of emissions on the environment and human populations – we can start to incentivize meaningful reductions in carbon emissions."

Dalton Ho, LEED AP BD+C and Senior Sustainability Advisor, Perkins&Will







# Who Are the Decision-Makers and Advocates Today?



Within companies and communities, many people are stepping up to advocate for more sustainable building. If you are a product or service provider, know who the influencers, decision-makers, and advocates are within your target market.

As with any behavior change, sales, or marketing effort, you must know your target market at a deep level.

Whether you're attempting to make an internal change at your company or mapping out your sales strategy for a product or service, understand your audience and their pain points and be prepared to answer questions and respond confidently to objections.



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"The best advocates are local advocacy organizations and trusted community leaders."

Gordian Raacke, Executive Director, Renewable Energy Long Island (reLl.org)

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"Certainly, the case for sustainability in business requires a commitment by the leadership — supporting and allocating resources for research and development are critical to achieving results. Developers who are committed to allocating budgets for sustainability are also critical. But company leadership is just the beginning. Some of the best advocates are going to be those working in the day-today. For us, that means that our architects and designers need to have the knowledge and passion to infuse their projects with sustainable methods. From selecting materials to designing climate-responsive form, every decision is additive in its impact on climate scott Sullivan, AIA, NCARB, Principal, Relativity change.



"As a firm, we must stay current on digital design tools and energyefficient products to be awarded new-building projects and adaptivereuse updates to existing structures to make them as green as possible. Sustainability is a priority for most companies we work with. They are interested in the latest green technologies and solutions."

Richard Berliner, AIA, LEED AP, Principal, Berliner Architects





#### What Consultants, Designers, and Manufacturers Can Do

Marketing and selling within the building industry have always been complex.Global competition for materials, cost-focused buyers, and the need for speed all make the job of solutions providers challenging.

Add to that a sustainability imperative. Your role is now also one of education -knowing your facts about green solutions and being able to present trends and alternatives to buyers and decisionmakers in a way that turns them into believers.



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"We make the sustainability case to clients by explaining all of the currently available green products and design approaches, such as passive strategies for using fewer resources or minimizing heat gain. In these cases, we'll discuss the design features most likely to earn certification at the desired LEED level."

Jenna Knudsen, AIA, LEED AP BD+C, Managing Principal, CO Architects

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"The best advocates are the people who sit at the top -- from architects to CEOs. Effective leaders have the ability to motivate the masses to act. When properly channeled, positive influence can generate great change as individual actions align with group efforts to produce an amazing outcome."

Keng-Fu Lo, managing director of the Chain10 Architecture & Interior Design Institute

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"Businesses are already making their case for sustainability. But there has to be a distinction between green- or sustainabilitywashing and genuine attempts to ensure that they and their products do not harm and even go further by being regenerative. That push has to come from the ground UD." Ganesh Nayak, Principal, Metier Inc.







"Companies can make the case for sustainability with a simple willingness to innovate and challenge the status quo. In one recent instance, a large furniture manufacturer had requested their fabric supplier to analyze the make-up of their products and reformulate them to remove chemicals of concern. When that supplier failed to respond, the furniture company approached us instead, requesting the creation of a more sustainable upholstery fabric without sacrificing the material's performance. The furniture company trusted that we would be able to do so because we had demonstrated a history of (self-motivated) product improvements."

Iwan Nassimi, Executive VP, Nassimi



## How Do Those Who are Advocating Greener Building Tackle Objections?



Getting buyers to embrace something new begins with education and examples of similar businesses that have seen great results by switching to more sustainable solutions.

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"First-time construction costs are often the biggest objection to designing more energy-efficient buildings. Demonstrating that additional construction costs can be recouped in a few years through reduced utility and operating expenses is critical. Once capital expenses are recouped, the savings will continue for the life of the building." Richard Berliner, AIA, LEED AP, Principal, Berliner

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"That's too difficult' or 'That's not the way it's done' are easy answers that are often heard and are all too easy to accept. After hearing these repeatedly, it's not uncommon to fall into the trap of the status quo. It's important to keep looking for ways to improve and to keep asking the questions. In each instance that we made significant production changes to make our products more sustainable, the instinctual response from our supply partners was that what we were aiming to achieve was not possible. In each case, we challenged our partners and eventually achieved the results we were looking for."

Iwan Nassimi, Executive VP, Nassimi

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"The most common objection is cost. However, the financial element balances itself out. Building sustainably reduces the reliance and need for mechanical equipment for heating and cooling, which leads to savings in the long run."

Wayne Turett, RA, Founder and Principal of The Turett Collaborative

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"We address objections with facts, wherever they may lead. For example, an independent energy audit will confirm or refute potential energy savings from a proposed project such as solar PV conversion. The most common hurdle is cost/benefit. In high-cost electricity states like CA, the value proposition is easy to document. In lower-cost electricity states such as AZ, the value proposition of converting to solar is much less compelling. Some property owners fear that significant building upgrades such as solar PV, conversion to the microgrid, etc., can lead to a reassessment for property tax purposes. This has proven speculative."

Peter Grabell, Senior Vice President, Dividend Finance Inc.

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"Convey to decision-makers that we have very little time left to transition to a zero-carbon economy and missing this window of opportunity is not an option. There is no planet B."

Gordian Raacke, Executive Director, Renewable Energy Long Island (reLl.org)

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"Objections are typically based on a lack of knowledge and are typically centered on upfront costs, which is why incentives need to continue to provide the necessary spark."

Vince Myers, AIA, LEED AP, President, DIGroup Architecture LLC

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"I would guess the most common objection is cost. Leadership at the executive and board level should buck shortterm profitability for long-term gains. That message has to come from within the company and should be ingrained in the culture." Ganesh Nayak, Principal, Metier Inc.

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"Some of the most common objections that we encounter in our practice are also the most stereotypical: profit-conscious developers and NIMBYism from neighbors. First, we engage in conversations with our clients. We walk through the ways we can innovate our designs and building methodologies to carve out budgets for adding communityserving programs and increased sustainability....Second, we find that informative community engagement tends to alleviate fears. It is a valid concern people carry that change could be detrimental to their neighborhood."







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"Our current challenge is explaining embodied carbon. Our institutional clients are often comfortable with tried-and-true materials; we educate them on emerging options, such as mass timber as an alternative to concrete and steel."

Jenna Knudsen, AIA, LEED AP BD+C, Managing Principal, CO Architects



"Despite the good that it will produce, there are many that don't agree with green building. Some of the most common objections are high costs, troublesome processes, and the possibility of the project being difficult to maintain. In the case that objections do arise, I look to explain my reasoning for its need within our current landscape. I often review all the possible solutions and outline why my strategy has the most advantages. While the opposition may never approve of green design, I am simply happy to share my knowledge and get their thoughts going-- maybe one day, they'll remember my words and come to revel in green building."

Keng-Fu Lo, managing director of the Chain10 Architecture & Interior Design Institute

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### Facts and Data = Power of Persuasion



"Prove it!" That's not an unreasonable request from someone who is spending millions of dollars on a project and wants to know that any time or money invested in sustainable solutions will be well spent. That's why designers, suppliers, and manufacturers must know their facts, stay sharp, and gather case studies and insights from others in the field.

Here's how some of our experts use data to make their case and track project success.

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"Obtaining ongoing utility spend data from property owners following project completion. Note that this data provision is voluntary, not mandatory."

Peter Grabell, Senior Vice President, Dividend Finance Inc.

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"Energy savings data comes from local utilities such as DWP and SCE and through energy modeling of the building design by our MEP engineers. Through multiple iterations where we vary the orientation, fenestration, and materials of our buildings, we find solutions that are affordable and energy-efficient, providing long-term operating savings."

Richard Berliner, AIA, LEED AP, Principal, Berliner Architects

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"Having good, objective data and then making it actionable is crucial. Buildings have a lot of ways to give you data. Many buildings have equipment installed that has the ability to give you data, and you can put things like sensors in, etc. We want to acquire good data then extrapolate keen insights from that data. Oftentimes, the problem is not a lack of data, it's a lack of actionable data. It is hard to bring data into a single user interface where you can create insights and inferences."

Brad Dockser, CEO and Co-Founder, GreenGen



"We engage on a case-by-case basis. Each project is unique. Since we design and fabricate for the end-user, homes, or boutique hotels, it provides a greater opportunity for us to respond to the project. As it should be."

Gerald Olesker, CEO, ADG Lighting

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"Our data comes from internal experience, working with consultants dedicated to sustainable design initiatives and staying on top of information and statistics available through green building publications."

Vince Myers, AIA, LEED AP, President, DIGroup Architecture LLC

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"Our data comes from the work we do, providing waste audit data and ongoing waste data via our metrics tracking system. We conduct hundreds of waste audits for businesses around the world each year, and the data we've collected over three decades has given us valuable insight into what businesses worldwide generate and divert from their waste streams. We have found that, on average, 77% of the commercial office trash stream is not trash at all."

Anna Dengler, Senior Sustainability Advisor, Great Forest

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"I believe that the most important habit to develop is continuous learning. Even after practicing architecture for over 25 years, I must continue to learn within my discipline-especially as it pertains to green building. I often enlighten myself through reading, observation, and traveling (prepandemic)...When it comes to observation. I think that being able to genuinely understand and perceive your surroundings is an essential skill. Being conscious of everything, from the smallest details to the largest factors, will allow you to have a stronger grasp of reality." Keng-Fu Lo, managing director of the Chain10

Architecture & Interior Design Institute

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"Mostly online, from trusted resources such as USGBC, and company leaders in the field such as Gensler and Perkins+Will, and the larger companies such as Apple for a broader look at climate change issues. Reports from think tanks and consultancies such as McKinsey, and environmental journalists from noted media companies are other sources."

Ganesh Nayak, Principal, Metier Inc.

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"Our engineering partners supply energy-modeling data as a standard project requirement. Each building design includes extensive performance specifications."

Jenna Knudsen, AIA, LEED AP BD+C, Managing Principal, CO Architects

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"Many resources of data for green building are now available — from new technologies and materials to operational costs. It can be overwhelming at times to sort through it all. The most important data to build a case for green building, for us, comes from our clients. We work with many repeat clients. Because of that, we have the benefit of knowing their operational needs in occupying a building and their approach to construction costs versus maintenance budgets. This data allows us to make informed decisions on our architecture, as well as bring that shared knowledge to another similar project. Conversing with developers, operators, and contractors — the people on the ground — is the richest source of practical and deployable data."

Scott Sullivan, AIA, NCARB, Principal, Relativity Architects



## Partnerships Build Credibility



Many of our sustainable building experts have aligned themselves with other companies, community groups, and collaborators to create a stronger case when recommending solutions. Strength in numbers applies here. Leverage your combined and individual expertise to change the conversation and develop solutions.

Conferences and online summits are great places to meet others in the sustainability space. Pinpoint the expertise and connections you need and look to these gatherings as a means of expanding your circle.

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"We tend to partner with companies that share our desire to create carefully thought-out buildings that benefit their communities. We share values with community non-profits. We strive to design the tools and facilities that help them realize their missions."

Richard Berliner, AIA, LEED AP, Principal, Berliner Architects

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"We partner with companies that are providing innovative ways to address waste-related challenges: sensors for reporting, reusable service ware to tackle corporate cafeteria waste, etc."

Anna Dengler, Senior Sustainability Advisor, Great Forest

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"We are extremely fortunate to be surrounded by people whom we respect greatly in our professional endeavors. These individuals are equally passionate about our business, always seeking the next challenge to improve the way we operate."

Iwan Nassimi, Executive VP, Nassimi

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"We often work in coalitions with environmental and other organizations to broaden our reach and effectiveness."

Gordian Raacke, Executive Director, Renewable Energy Long Island (reLl.org)

"Our partnerships in the consulting world have evolved to include engineering firms with specific expertise and knowledge in sustainable development and cutting edge energy initiatives."

Vince Myers, AIA, LEED AP, President, DIGroup Architecture LLC

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"Most often we will engage independent third-party building or energy engineers to quantify potential savings and validate cost/benefit value propositions that a contractor might have estimated."

Peter Grabell, Senior Vice President, Dividend Finance Inc.

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"We try to partner with organizations that unify and focus industry efforts towards accelerating decarbonization. The Carbon Leadership Forum and Building Transparency are great examples of the industryleading organizations that we are working with. As partners, we share our respective experiences. cross-collaborate with peers, coordinate research efforts, and develop new tools and methodologies for emission reduction. Our collective expertise helps us build a stronger case for highperformance, innovative Dalton Ho, LEED AP BD+C and Senior Duildings, Sustainability Advisor, Perkins&Will

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"My partnerships are more than business collaborations-- they come together to form a community of changemakers. Having a sense of community unites us and allows us to be part of something that is greater than ourselves. When adding to this, I tend to select entities that have the same ideas as me. In particular, I seek out organizations and companies with the same attitudes and perspectives toward nature." Keng-Fu Lo, managing director of the Chain10 Architecture & Interior Design Institute

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"I belong to several groups (I serve on the AIA GA board, and was the past chair of AIA Atlanta's Committee on the Environment (COTE) ) and try to collaborate with other groups such as USGBC and NOMA (National Association of Minority Architects). Partnering with nonprofits who know the issues on the ground best is probably a great way for companies to set genuine equity goals and genuine Ganesh Nayak, Principal, Metier Inc.



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"Design-build partnerships offer enormous sustainability potential. We are currently working on a representative project with general contractor Hensel Phelps for a new medical center on the University of California, Irvine, campus. Daily operations on the 11.6-acre site will be powered by a first-of-itskind all-electric utility plant on the premises. CO Architects worked with Hensel Phelps on a design that blankets the 1,400-spot parking structure in solar panels, and client UCI Health negotiated an energypurchasing agreement with the solar provider. This is an example of all stakeholders collaborating early in the design process, with a common LEED Jenna.Knudsen, AIA, LEED AP BD+C, Managing Platinum project goal. Principal, CO Architects

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## Bragging Rights: How Do You Market Your Sustainability Solutions?



Many companies have rapidly jumped on the green bandwagon, and buyers and decision-makers need to know how to differentiate between the real deal and greenwashing.

#### Our experts advocate that you:

- Stay top of mind with your target audience and place as much emphasis on education as you do on marketing.
- Craft messages that are clear and simple.
- Use data and case studies whenever possible to build credibility.
- Stay engaged in the community, attending conferences, learning from, and partnering with other leaders in your field and complementary businesses.

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"We strive to describe sustainability in our work in generally understood terms such as the LEED tiers and California's Title 24 energyefficiency standards. We included this language when announcing design-award recognition. We designed one of the first schools to be certified by the Collaborative for **High-Performance Schools** (CHPS) and are currently designing two more CHPScertified schools. The CHPS program maximizes the health, well-being, and performance of students, educators, and staff. And, it conserves energy, water, and other resources to minimize greenhouse gas Richard Berliner, AIA, LEED, AP, Principal, Berliner emissions and reduce operating Architects costs."

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"We recognize that there is a yearning for honest environmental stewardship. People respect and gravitate to companies that act responsibly. We strive to be sustainable out of conviction, seeing the promotion of our sustainable practices as an opportunity to spur those around us on to similar action. We believe in simply doing what's right, and if our choices and actions inspired others to do the same, we would be grateful. We would love to see more suppliers in the textile, furniture, and interior design industries take the initiative to improve their products. But of equal importance, we would love to see more consumers. demanding better made, more Iwan Nassimi, Executive YP, Nassimi sustainable products.

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"I try to avoid any greenwashing by being as accurate and honest as possible when discussing it with clients or media. I encourage people to make the first step toward sustainable building first, such as adding insulation or changing their windows. I try to look at promoting sustainable building through two guotes that I have always believed in: 'Don't let perfect be the enemy of the good,' and 'A journey of a thousand miles begins with a single step."

Wayne Turett, RA, Founder and Principal of The Turett Collaborative

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"Our message is focused on helping companies manage waste sustainably. We take a holistic approach to sustainability and meet clients where they are. We don't use hyperbolic language in our messaging but rather focus on the waste hierarchy to find the highest and best use for materials. Providing facts and results helps distinguish progress from greenwashing." Anna Dengler, Senior Sustainability Advisor, Great Forest

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"We promote sustainable design as we always have, long before the sustainable design movement took shape. Our message is a strong now as it was then, that through our sensitivity to design, we incorporate the fundamentals of sustainability that inherently conserve resources and provide healthy environments to live and work," Vince Myers, AlA, LEED AP, President, DIGroup Architecture LLC

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"On completed projects that obtain LEED certification, we promote the achievement, client-permitting, and highlight the specific sustainability features. We are especially proud of the newly updated Pritzker Hall on the UCLA campus. Designed by esteemed architect Paul Revere Williams, FAIA, and opened in 1967, we renovated the building to meet current seismic code and exceeded Title 24 energy requirements, resulting in LEED Platinum certification. We preserved a historically important mid-century building, updating it to be seismically safe and incredibly efficient by adding windows and modernizing lighting and Jenna Knudsen, AIA, LEED AP BD+C, Managing mechanical systems." Principal, CO Architects

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"When I approach an architectural project, nature is at the forefront of my decisionmaking process-- it is the center of all that I do. From the choice of the materials to the overall design. I sincerely aim to preserve the natural environment. As a leader seeking to create a better environment for generations to come, I don't believe I need to greenwash my work-- especially growing up surrounded by nature and experiencing the effects of climate change in Taiwan." Keng-Fu Lo, managing director of the Chain10 Architecture & Interior Design Institute

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"As a company, ego tends to take a back seat...If a project earns a LEED rating, whether on an affordable-housing project or hospitality, or other typology, we promote that in our portfolio and awards submissions. When project resources extend to landscape architecture, we'll push for native and droughttolerant plantings, which have become the rule instead of the exception in California. The language around green building should be the norm. not the exception. We look forward to when clients require sustainability like they require parking." Scott Sullivan, AIA, NCARB, Principal, Relativity

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# The Best Way to Expand Your World (and Do Green Business)



We at Greenbuild bring decision-makers, policy-makers, company and community advocates, and product/service providers together in a safe and collaborative environment.

Learn from other companies and your peers about how they have made a sustainable business agenda come alive within their organizations and gather real-world case studies and data.

Meet and connect with the organizations and professionals who can help you grow your knowledge, your reach, and your company's success.

Seek out those decision-makers who are already committed to green building so you can educate them about how YOUR product, service, or talent fits best with their mission -- when they are looking for solutions. You can find our complete list of live and virtual green building <u>experiences here</u>. Please <u>contact us for exhibiting</u> and sponsoring opportunities to expand your reach. And of course, join us at <u>Greenbuild International</u> <u>Conference & Expo 2021</u>, taking place Sept. 21 -23 in San Diego, for inspiration, education, and valuable connections. Visit the <u>Greenbuild</u> website for more information.

We at Greenbuild would like to extend our gratitude to the many contributors to this report and encourage our readers to make their voices and views heard in upcoming publications. If you are interested in contributing to upcoming reports, please contact Amanda.Ciccatlli@informa.com.

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